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RUEHKH/AMEMBASSY KHARTOUM PRIORITY 0001
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1029
RUEHKO/AMEMBASSY TOKYO PRIORITY 0347
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RUEAIIA/CIA WASHDC PRIORITY
RHEFDIA/DIA WASHINGTON DC//DHO-2/REA/NMJIC-J2// PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
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RUEKJCS/SECDEF WASHINGTON DC PRIORITY
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STATE FOR SCA/CEN

E.O. 12958: N/A

TAGS: [EAGR](#) [KCRM](#) [PGOV](#) [TX](#)

SUBJECT: FORMER AGRICULTURE MINISTER MEREDOV DISMISSAL
BASED ON ALLEGED CORRUPTION

11. (U) Sensitive but unclassified. Not for public Internet.

12. (SBU) SUMMARY: Opposition Turkmenistani news website Gundogar reported August 8 that police arrested former Minister of Agriculture Paizugeldy Meredov for embezzlement and corruption. Well-known for his close personal relationship to former president Saparmurat Niyazov and his great personal wealth, suspicions of corruption followed Meredov throughout his career. This alleged arrest follows the alleged 20-year sentence of another close Niyazov ally, Akmurat Rejepov, Niyazov's former Chief of the Presidential Security Service and the long-rumored "grey cardinal." In announcing at the Cabinet of Ministers meeting on August 9 that the Supreme Auditing Commission would take on increased responsibilities aimed at stronger control of expenditures of hard currency returns from deals with foreign companies, President Gurbanguly Berdimuhamedov appears poised to root out the source of corruption and deviation of government funds. END SUMMARY.

WHEN NIYAZOV IS YOUR PROTECTOR, EMPLOYMENT IS GUARANTEED

13. (U) Meredov left the position of Minister of Agriculture in 1994, but subsequently filled other government posts, including hakim of the Gyaurski etrap (1994-97) and hakim of the Chandybil etrap of Ashgabat (2003-06). Most recently he served as Chairman of the Gok Gushak (Green Belt) Association, a state joint-stock company responsible for supplying trees used in landscaping of government construction projects.

14. (U) Throughout his tenure as president, Niyazov protected Meredov, his friend and close ally commonly known as the "king of cotton." Typically, Niyazov would lightly criticize Meredov during his trademark public scolding sessions. Niyazov would then move Meredov to a different position in lieu of firing him. Local embassy staff state that Meredov,

while notorious for his high level of corruption and wealth, kept a low public profile. At the Ministry of Agriculture, rumors abounded that cotton was exported for his personal profit.

15. (SBU) Avdy Kuliyeu, a former leader of the Turkmen opposition who died in exile in 2007, suggested that Meredov assisted Niyazov in opening private bank accounts in 1991 during an official visit to Rome at the invitation of a private company. A \$35 million pre-payment for the construction of a textile and gas processing plant that was never started was allegedly transferred into a private account. Kuliyeu also alleged that Meredov made arrangements for his sons to sell Turkmenistan cotton in London and Bremen.

ARREST: WHY NOW?

16. (SBU) Like Rejepov, long speculated to be one of Niyazov's closest advisors, Meredov was also most likely an integral part of the apparatus involved in opening foreign bank accounts on Niyazov's behalf. Meredov is the merely the most recent person linked to corruption in the ongoing investigation of Niyazov's personal accounts.

17. (SBU) COMMENT: Although some opposition websites have depicted Meredov's arrest as a Niyazov-like move designed to strengthen Berdimuhamedov's control of his government, few here would argue that Meredov is a blameless victim. When combined with the recent establishment of the Supreme Auditing Commission and Berdimuhamedov's August 9 call for more clarity of ministerial funds, the arrest seems to point toward a concerted effort to crack down on at least the most extreme forms of graft and corruption. END COMMENT.
HOAGLAND